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BUSINESS NEWS IN BRIEF

KY manufacturers: recession recovery is over

An extensive survey of Kentucky manufacturers, large and small, indicates that the post-2001 recession recovery phase of the business cycle has ended.

The results of the spring 2006 Kentucky Manufacturing Business Confidence Survey show a somewhat mixed picture for the Commonwealth.

In 2004, hiring conditions returned to their 1999 peak level and remained stable in 2005. Sales conditions also peaked in 2004 and remained significantly higher than at any point during the period of 1999-2003. However, a substantial rise in the number of businesses who expect very little growth in the future suggests that the Kentucky manufacturing sector is unlikely to experience any additional improvement in business conditions in the following year. The survey also indicates a potential future decline in sales and employment among a number of large manufacturers, particularly those making equipment for the automotive, construction or textile sectors.

The survey is produced each year through the joint efforts of the Associated Industries of Kentucky (AIKK) and the Center for Business and Economic Research (CBER) at the University of Kentucky's Gatton College of Business and Economics. The survey asks manufacturers to report on their actual performance over the past year and to make predictions for the next year in areas such as employment, sales, profits, capital expenditures, and industry production.

According to Kenneth R. Troske, an economics professor at UK and director of CBER, "This year, the survey was expanded to include more businesses leading to results that better reflect the true sentiment of Kentucky manufacturers."

Made in Kentucky: satellites

A coalition of Kentucky universities and organizations have created a joint enterprise to design, build, launch and ground operate small satellites for education, research and economic innovation purposes. KySat will train students in the dynamics of spacecraft design, construction, launch and operation to support accompanying education and research applications.

KySat is comprised of Morehead State University, Murray State University, University of Kentucky, University of Louisville, Western Kentucky University, Kentucky Space Grant Consortium, Council on Postsecondary Education, Kentucky Science and Engineering Foundation and KSTC, which is the managing partner. Lead mission partners include SSDL, NASA Ames Research Center, KatySat and Cal Poly, which will serve as the launch integrator. KySat emerged through the work of the Kentucky Science and Technology Corporation's Advanced Concept Office created in 2004 at NASA Ames.

A design/build team of Kentucky undergraduate and graduate students will spend ten weeks this summer at NASA Ames working with Stanford graduate students and faculty, NASA Ames researchers, KatySat personnel and other spacecraft development professionals in the Silicon Valley Region on satellite design and construction. By the end of the summer, the KySat engineering model will be completed with the actual flight model to be built in Kentucky during the fall of 2006. Plans now call for a launch in mid-to-late 2007.

KySat will involve an ongoing series of satellite design, build, and launch projects, each with increasing scope and complexity.

Ground broken for new Japanese school

A new classroom building to be shared by the Fayette County Public Schools and the Central Kentucky Japanese School moved a step closer to reality with a recent groundbreaking ceremony at Edythe J. Hayes Middle School off Athens-Boonesboro Road near Interstate-75.

Under a partnership agreement approved by the Fayette County Board of Education, a \$2 million classroom building will be constructed on the Middle School campus to provide continuous Japanese education to Japanese-speaking students who live temporarily in Central Kentucky.

Most CKJS students return to Japan after a few years in Kentucky. Japanese Saturday School has enabled them to study their native curriculum (including subjects like Japanese history to augment the Kentucky history students get in their regular classes during the week) while living in the United States. The Saturday School concept has helped attract about 50 Japanese supplier companies to this region, and those companies are providing jobs to Kentuckians.

The Japanese School will give Fayette County \$1 million, which will be invested and the interest will be used to cover operational costs for the building. The school district will legally own the building and lease it to the Central Kentucky Japanese School.